



Board Bulletin

December 12, 2014

FY 14-15 Sales Tax Update

Sales tax revenues for October 2014 (December report) were \$44,715 (8%) higher than September 2014 (November report).

Further, October 2014 sales tax revenues were \$47,563 (8%) higher than the same revenues in October 2013.

When comparing sales tax results for the first four (4) months of FY 14-15 versus the same time period in FY 13-14, revenues are up \$139,966 (6%).

Staff will continue to monitor sales tax revenues on a monthly basis and provide updates to the Board.

Property Tax Collections Update

As of November 30 the real property tax collection rate was 66.33%. This rate is 0.81 percentage points higher than the reported rate at the end of November 2013.

The motor vehicle tax collection rate continues to average over 99% as a result of the new “tax and tag together” program.

The County has collected \$23,810 via the NC debt setoff program for past due taxes in FY 14-15. As a means of comparison, the County collected \$7,787 via debt setoff during the same time period in FY 2013-2014. This is a \$16,023 (206%) increase.

Past due collection efforts such as garnishments and bank attachments continue to exceed prior year benchmarks as well. There were 449 active garnishments as of November 30, 2014. At this same time last year, there were 393 active garnishments in place.

Water and Sewer Authority - FY 13-14 Financial Statements

The Stanly County Water and Sewer Authority (SWSA) finished FY 13-14 by increasing its net assets by \$10,832. The Authority's capital assets make up the overwhelming majority of its entire assets. Thus, the Authority has very limited liquid assets or unrestricted cash reserves.

The FY 13-14 financial audit presented fairly and represented an unqualified opinion from the auditors.

On a modified accrual budgetary basis, which excludes capital and related financing activities as well as depreciation, the Water & Sewer Authority's revenues exceeded expenses by \$181,526. This figure indicates the SWSA is maintaining positive cash flow.

The financial challenge for the Water & Sewer Authority moving forward will be to manage its debt obligations as a result of the significant capital investments since 2008. The Authority's current outstanding debt totals slightly over \$7.5 million.

As such, the Water & Sewer Authority's debt service payments will increase by approximately \$124,000 in FY 14-15 and beyond. It will be important to monitor budgetary cash flow over the next couple fiscal years before incurring additional long-term debt obligations associated with major capital projects.

Upcoming Meetings & Events

Regular Board Meeting

Monday, December 15
7:00 PM

Commons Meeting Room